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October 8, 1990

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Advertising Age

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GM weighs cuts of $200 million in ad spending

By Raymond Serafin

General Motors Corp. is considering slashing its 1991 ad budget by as much as $200 million from this year's estimated $1.4 billion, say sources familiar with ongoing budget discussions.

Corporate officials haven't formally notified divisional ad directors and ad agencies of the spending levels for next year. But a consultant to one of GM's agencies said that, though cuts haven't been put in writing yet, they would be across the board and total up to $200 million, or a 14.3% cut.

One highly placed agency official, who asked not to be identified, agreed the cuts would probably be about $200 million, based on information he had been told informally about his divisional client's budget.

A GM corporate spokesman, Harold Jackson, said, "I don't know of any cuts," but added, "We never talk about our ad expenditures."

Various divisional and agency officials said they hadn't been notified of budget cuts but wouldn't be surprised if GM tries to put a lid on spending in the face of economic uncertainty.

Several agency officials said budget cuts would affect all media but would hurt magazines the most because much of GM's TV buys have been made upfront.

Some executives speculated GM would take a conservative approach to 1991 spending plans for now but would release more funds later if the economy is stronger than predicted or if market situations demand more spending.

"We've sent our budget recommendations, but I haven't heard anything in response," said Richard O'Connor, chairman-ceo of Lintas:Campbell-Ewald, Warren, Mich. "I would be very disappointed [if GM cuts its budget]. I see no signs of the Japanese cutting back."

Lintas:Campbell-Ewald handles more GM business than any other agency, more than $400 million in billings for Chevrolet, GMAC, Delco and AC-Delco.

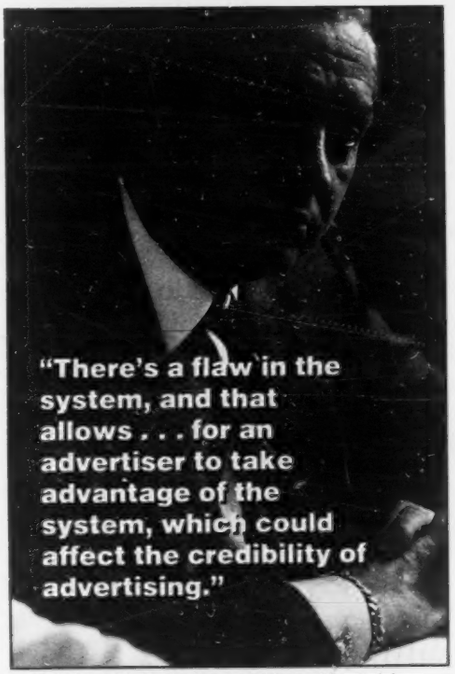
GM's other agencies for national car and truck advertising are D'Arcy Masius Benton & Bowles for Cadillac and Pontiac; McCann-Erickson Worldwide for

(Continued on Page 86)

Coke seeks tough TV ad watchdog

Herbert criticizes comparative claims

By Patricia Winters and Wayne Walley


"There's a flaw in the system, and that allows . . . for an advertiser to take advantage of the system, which could affect the credibility of advertising."

Coke's Ira Herbert sees a problem with ad claims.

Coca-Cola Co. is spearheading a drive to change the way the Big 3 TV networks judge comparative advertising.

Ira Herbert, president of Coca-Cola's North American soft-drink sector, has met with top executives at each network to discuss what he believes to be a growing problem: false ad claims inadvertently slipping by network scrutiny and getting on the air.

A dramatic rise in the use of comparative advertising, paired with network staff cuts, has hampered the networks' ability to judge the validity of comparative advertising, Mr. Herbert told *Advertising Age*.

"There's a flaw in the system, and that allows—either purposely or by accident—for an advertiser to take advantage of the system, which could affect the credibility of advertising," said Mr. Herbert, who was quick to point out he's sympathetic to the network's overwhelming task.

"I think we have a basic structural problem here," he added. "It's not fair to competitors and it's not fair to consumers."

Coca-Cola, the nation's 28th largest adver-

(Continued on Page 86)

RICO false-ad suits rock industry

Use of racketeering statute could slow down resolution of disputes with FTC

By Steven W. Colford

WASHINGTON—A controversial anti-racketeering statute is being used against national advertisers that are paying multimillion-dollar out-of-court settlements rather than contest false-advertising charges.

Ralston Purina Co. and North American Philips Corp. have already paid more than $3 million combined rather than risk losing class action suits filed under the 1970 Racketeer Influenced & Corrupt Organizations Act.

The controversy may also have a chilling effect on the Federal Trade Commission's efforts to reach consent agreements on false-advertising cases. Advertisers could find that such consents open them up to RICO suits later from aggressive lawyers.

The roster of national advertisers involved in RICO-inspired false-advertising suits includes Mobil Corp., Perrier Group, CPC International and Prudential Insurance Co. of America, according to legal papers and attorneys close to the cases.

Advertisers are settling out of court because of the high cost of losing—triple damages, all legal fees, consumer redress and, perhaps worst of all, the stigma of being branded a mobster.

"The word 'racketeering' is an enormously serious stigma," said Dan Jaffe, exec VP of the Association of National Advertisers.

The RICO statute, designed to attack or-

(Continued on Page 84)

LAST MINUTE NEWS

Chiat loses Royal Caribbean

MIAMI—Royal Caribbean Cruise Lines moved its $42 million account to Rosenfeld, Sirowitz, Humphrey & Strauss from Chiat/Day/Mojo, both New York. The account was the largest in Chiat's New York office, which installed new management and laid off more than 30 staffers after the cruise line announced its review in July. Robert Perkins, president of the office, said he was disappointed with the loss but wouldn't say whether more changes or layoffs were expected. Since April, Chiat has lost the Reebok, Soho soda, Bissell, Sara Lee and Cluett, Peabody & Co.'s Arrow shirt accounts. Two other accounts, American Express Gold Card and New York Life, are said to have cut back spending, leaving the office with billings of less than $100 million compared with 1989's $210 million. The Royal Caribbean loss follows the departure of Exec VP-Executive Creative Director Tom McElligott, which also resulted in the loss of a Pilisbury assignment at Chiat's Toronto office *(see stories on Page 4)*.

Interpublic talks to Wyse

NEW YORK—Interpublic Group of Cos. is in talks to buy Wyse Advertising, a $140 million Cleveland-based agency with a small office here. If a deal is struck, Wyse would be an independent unit of Interpublic, possibly reporting to Lintas:Worldwide, sources said. Executives at Interpublic acknowledged the discussions but said no deal has been struck. Interpublic and Wyse ear-

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■ **Knight-Ridder** has redesigned the *Boca Raton News* in its continuing experiments to attract younger readers. **38**

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■ **James K. Agnew,** leaving as VP-general manager of J. Walter Thompson USA in Los Angeles, said he's looking for an advertising or marketing position in California. **75**

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TWA looks in-house

Cost cutting leads Y&R to resign

By Jennifer Lawrence and Jon Lafayette

Trans World Airlines likely will take its $45 million domestic ad business in-house after Young & Rubicam, New York, dropped the entire $70 million account for cost reasons.

The nation's No. 7 carrier said it may use free-lance services from a creative project shop formed by Martin Solow, Bert Steinhauser and Herb Strauss, tentatively called Solow, Steinhauser & Strauss, though no formal deal has been signed. TWA last week also talked to Bob Veder, former group creative director at Della Femina, McNamee, New York, and now a freelancer.

But the $20 million European ad account will be put in review, said Shelly Kravitz, TWA's VP-advertising-leisure marketing. He said the airline has already had discussions with two agencies but declined to identify them. Lintas:Worldwide may be under consideration, said agency sources familiar with the situation.

TWA hasn't decided whether to seek an agency for direct marketing, which also was under Y&R's wing.

"We've pretty well made up our minds to create a domestic in-house ad agency," Mr. Kravitz said. "There's a 95% chance that will happen. We are doing no active solicitation for a domestic agency."

Mr. Kravitz said all domestic print buying will be handled in-house; the carrier will use a buying service for broadcast media.

Y&R prompted TWA's agency realignments when it bailed out of the $70 million worldwide account, which it had held since 1986.

Joe DeDeo, Y&R president-ceo, said Carl Icahn, TWA chairman-ceo, asked the agency to consider a significantly reduced level of compensation. "Carl made us an offer we could refuse," said Mr. DeDeo.

TWA had estimated the cost of handling the account in-house and wanted Y&R to match it. "The difference was several million in revenue," Mr. DeDeo said.

Although Y&R resigned primarily over financial issues, it said changes at TWA made servicing the business more difficult.

Mr. Kravitz said the move to go in-house was inspired by Mr. Icahn in an effort to cut costs.

TWA's ad department has been undergoing change since Mr. Kravitz's arrival last March. At that time, the department began reporting directly to Mr. Icahn.

Mr. Kravitz's predecessor, Tracy Britton, reported to Robert Cozzi, senior VP-marketing. Mr. Cozzi resigned last week over differences with Mr. Icahn, company insiders said. Mr. Cozzi confirmed he had left the company but declined to elaborate. □

Schick to nick Sensor

By Alison Fahey and Gary Levin

Warner-Lambert Co. is going after razor giant Gillette Co. with a new Schick shaving system called Tracer.

The new product, designed to go head-to-head with Gillette's Sensor in the $870 million-plus U.S. wet-razor business, will be unveiled at an Oct. 10 news conference, nearly one year to the day after Gillette introduced the new razor technology of Sensor.

Invitations to the conference didn't identify Tracer but called it the "single largest new-product introduction in the history of Schick."

Ads for the shaver will break late in the fourth quarter with a $15 million marketing budget via J. Walter Thompson USA, New York, said sources familiar with the plans.

Gillette last week said it's boosting Sensor ad spending for 1991 to $50 million, from $35 million to $40 million this year. BBDO Worldwide handles.

Schick said the new product uses innovative technology. Industry sources say Tracer is a razor system, rather than a disposable, with flexible blades. Sensor's blades are also flexible.

"Flexible . . . blades are a major similarity [to Sensor], and Warner-Lambert has found a way to do it a lot cheaper."

"The concept of flexible and floating blades is a major similarity [to Sensor], and Warner-Lambert has found a way to do it a lot cheaper," said a source close to Schick.

Tracer has plastic parts that would make it less expensive than Sensor, say retail sources familiar with the product. The product will be on store shelves by early 1991.

The Warner-Lambert division had about a 16% dollar share in the wet-razor category as of the July-August period, compared with Gillette's 61.7%.

Sensor, introduced in January, now has a 7.9% share of the wet-razor category. And though part of Sensor's growth is due to cannibalization of other Gillette systems, "Sensor's strength has pulled Gillette's total market share up," said Andrew Shore, VP-analyst at Prudential-Bache Securities.

Gillette said by yearend it will have spent $35 million to $40 million on measured media for Sensor. The company last year said it would spend $50 million in 1990.

However, the supply of Sensor razors fell short of demand and the company moved ad dollars out of the first half of 1990.

Some of the money went into retail promotions as supply began to catch up to demand last month, said Bruce Cleverly, Gillette's VP-marketing, North Atlantic Group. □

Penney's theme draws suit

By Christy Fisher

J.C. Penney Co. has been sued over its new "Fashion comes to life" advertising theme.

Charming Shoppes, a chain that operates more than 1,000 Fashion Bug women's clothing stores, filed suit last month in U.S. District Court in Philadelphia, claiming Penney's new theme infringed on its service mark "Come to life." That theme is used in print advertising.

Charming Shoppes is charging Penney's with unfair competition and seeking a preliminary and permanent injunction against Penney's use of "Fashion comes to life."

Penney's introduced the theme line Sept. 9 in a $10 million multimedia blitz that included network TV (AA, Aug. 27). "Fashion comes to life" replaces Penney's 7-year-old theme, "You're looking smarter than ever."

The line is being used in all the company's estimated $407.5 million in advertising and corporate communications materials.

Charming Shoppes is asking that all advertising, banners and promotional materials bearing the theme line be recalled and destroyed.

Also, it seeks an undetermined amount of actual and punitive damages for the allegedly willful infringement.

"We do not believe there is any basis for their claims," said J. Duncan Muir, public relations program manager for Penney's. "Our [theme line] is quite a bit different."

Penney's agency, N W Ayer/-Southwest, Dallas, wasn't named in the suit. However, agency President Tom Hooke said a service mark search was conducted.

"We do not think there is a copyright infringement," he said.

Charming Shoppes claims in the lawsuit that it filed an application on or about March 30 with the U.S. Patent & Trademark Office to register "Come to life." The retailer then began using the theme in its advertising on or about Aug. 1.

Penney's filed an application for its new theme on May 4, the suit says.

Confusion between the two retailers is likely, the lawsuit says, because of the similarity between Penney's "Fashion comes to life" and Charming's "Come to life" theme lines and also because both retailers target the same customers, women.

The court hasn't yet set a date for the hearing on the injunction request. □

Backer big winner in pan-Euro derby

By Elena Bowes

More than $840 million in pan-European business was assigned between June 1, 1989, and June 30, 1990, according to an *Advertising Age* survey.

As multinational advertisers consolidated spending by brand or product category at a single agency, 46 accounts worth at least $10 million apiece were assigned during the 13-month period. Twenty-seven are new assignments.

Saatchi & Saatchi Co.-owned Backer Spielvogel Bates Worldwide won the largest dollar amount—$109 million from seven accounts. Almost half came from two accounts—a $25 million assignment for 3M's Olympic sponsorship program and a $23 million assignment for Canary Islands Tourism.

"I think what we are seeing is a desire on the part of clients for more centralization."

"I think what we are seeing is a desire on the part of clients for more centralization," said Brian Johnson, J. Walter Thompson Co.'s London-based European new-business director.

To qualify for the chart, an account must be worth a total of at least $10 million and run in more than two countries. Accounts reviewed but remaining with the incumbent and accounts with unknown budgets weren't eligible.

DDB Needham Worldwide was the next biggest winner, gaining $100 million in new business. Work for Jos. E. Seagram & Sons and Henkel accounted for nearly half of DDB Needham's new business gains.

JWT, Ogilvy & Mather Worldwide and Lintas:Worldwide also performed well, each picking up about $80 million. JWT won the biggest single account, scoring Heineken's $50 million beer assignment—the Dutch marketer's first pan-European agency assignment.

While the number of pan-European accounts is increasing, the average size appears to be shrinking.

These 46 accounts were worth an average of $18 million. In a similar *Ad Age* survey conducted in May 1989, covering 17 months, 36 accounts were assigned with an average value of $27 million. Four accounts in the previous survey exceeded $50 million; this year, there were none. □

Pan-European account wins June 1989 through June 1990

Advertiser	Value (mil)	Winning agency
Heineken beer	$50	JWT, London
Expo '92	$40	O&M Europe, London
Nissan European cars	$40	TBWA, Amsterdam
Pfizer's Plax	$30	Saatchi, London
Coca-Cola's Diet Coke	$28	Lintas:France, Paris
Fruit of the Loom underwear	$28	Alliance, London
Barcelona Olympic Games	$25	O&M, Barcelona
Polaroid's instant film	$25	BDDP, Paris
Seagram's Chivas Regal	$25	DDB Needham, London
Beiersdorf's Nivea cream	$25	TBWA, Hamburg
Douwe Egberts' coffee	$25	FHV/BBDO, Amstelveen, Neth.
3M's Olympic sponsorship	$25	BSB Dorland, London
Canary Islands Tourism	$23	BSB Spain, Madrid
IBM personal computer	$20	Lintas:France, Paris
Nestle's chocolate bars	$20	Lintas:France, Paris
Tambrands' Tampax	$20	Colman RSCG, London
Pepsi's Pepsi-Cola, 7UP	$20	BBDO, London
Reckitt & Colman personal-care products	$20	BDDP, Paris
Procter & Gamble's Oil of Olay,	$20	Saatchi, Oslo/Frankfurt, London
Pampers, Clearasil		Saatchi, Stockholm
Ariel detergent		Saatchi, Copenhagen
Ariel Ultra		Saatchi, London
Vicks		Interplan/Saatchi, Helsinki
Henkel's FA	$18	DDB Needham, Paris/Stuttgart
Hiram Walker Allied Vintners' Canadian Club	$17	KHBB, London
Campbell's Biscuits	$15	O&M, Paris
American Airlines	$15	DDB Needham, London
Nestle's After Eight, Smarties, Polo	$15	JWT, London
Moulinex's appliances	$15	RSCG & Associe, Paris
Land Rover's Land Rover, Range Rover	$15	BSB Dorland, London
SMH's Swatch/Pop Swatch	$15	Impulse/Saatchi, Zurich
Turkish Airlines	$14	Y&R Turkey, Istanbul
ICEX's shoes	$14	BSB Spain, Madrid
Federal Express	$13	KHBB, London
Irish Dairy Board	$12	FCB, London
Foster Brewing's Foster's beer	$12	DDB Needham, London
Canal Plus' pay TV	$11	HDM, Paris
Montedison's chemicals	$11	JWT, Milan
Fisher-Price toys	$11	BSB Dorland, London
Turkish Tourist Board	$11	Y&R, London
Lucas' car parts	$11	Alliance, London
Mars' Kit Kat candy,	$11	BSB Dorland, London
Brekkies pet food		
Mars' Raider	$10	BSB France, Paris
Unilever's Gruene Kueche	$10	Lintas:Germany, Hamburg
Euro Disneyland	$10	HDM, Paris
L'Oreal	$10	HDM, Paris
Seagram's Mumm champagne	$10	DDB Needham, Paris
Cadbury Beverages' Canada Dry, Gini	$10	DDB Needham, Brussels
Bull computers	$10	DDB Needham, Paris
Hoover's corporate	$10	Lowe International, London

Source: Advertising Age

P&G cleans up in Europe with 2 in 1 shampoo

By Dagmar Mussey

DUESSELDORF—Procter & Gamble Co. is looking to expand its dominance in Europe's shampoo market while competitors play catch-up.

The company has scored big in what was West Germany with the introduction of Vidal Sassoon Wash & Go, a shampoo-conditioner combination known as Pert Plus in the U.S. It's also sold in 13 other European countries.

Within 10 months of its May 1989 West German launch, Wash & Go became the No. 3 brand with a 7.5% share in the $370 million shampoo market. Schwarzkopf's Schauma was No. 1 with 13.7%, and Beiersdorf's Nivea was second with 9%.

Leo Burnett International handles the account worldwide, including spending of an estimated $5 million in West Germany alone. In the U.S., P&G spends an estimated $15 million annually on Pert Plus via Leo Burnett USA, Chicago.

Based on Wash & Go's success, P&G this summer introduced in West Germany a shampoo-conditioner extension to its Shamtu line. Shamtu is a low-price brand from P&G subsidiary Blendax and holds a 6% market share. The Shamtu combination product is backed by an estimated $3 million TV campaign through DMB&B Imparc here, agency for the entire Shamtu line.

Eyeing P&G's success, rivals Schwarzkopf, Beiersdorf, Henkel, Unilever, Colgate-Palmolive Co. and L'Oreal are fighting back.

"You can bet that in a couple of months all shampoo producers will have similar products out," an industry source said.

In fact, competitors have already started to make their moves. In January, Colgate launched Gard New Style Wash & Care in West Germany, backed by commercials via Young & Rubicam, Frankfurt. The same month, Dralle, Hamburg, followed with Dralle Beauty Double Effect, supported by a print campaign. Heye & Partner, Hamburg, handles. Market shares are not yet available, but agency executives said the product is performing well.

These moves are helping P&G achieve its goal of becoming a major player in the European health & beauty aids market.

Health & beauty aids sources here predict more activities throughout Europe will come from Blendax brands which in the past have been sold in West Germany only.

"P&G has an old policy which says instead of having to fight with a competitor, we rather have our own competing brands within various segments," said Bernd M. Michael, ceo of Grey Germany.

The rivalries also have extended to other countries. In France, L'Oreal introduced Duo, a shampoo-conditioner; P&G markets Pantene Plus 2 in 1 there. Unilever's U.K. subsidiary now is introducing Dimension as a two-in-one product. Originally marketed as a normal shampoo, Dimension has been repositioned country-by-country as a two-in-one shampoo in the U.K., Spain, Belgium, the Netherlands and Italy. Lintas:Worldwide handles in Europe.

In the U.S., Pert Plus became the market leader, currently holding a 12.5% share of the $950 million category. □

Laurie Freeman contributed to this story.

French fight alcohol ad limits

By Anika Michalowska

PARIS—French alcohol marketers are offering to spend up to $6 million for an ad campaign warning against alcohol abuse, if the government rejects a proposal to restrict industry ads.

The new Association of Enterprise & Prevention will run ads urging consumers to drink in moderation if the proposal is rejected, said Thierry Mantoux, the group's spokesman and ceo of champagne marketer Champagne de Venoge.

Association members include BSN Groupe, Pernod Ricard, Seagram France Distribution, United Distillers France, Louis Vuitton Moet Hennessey and Martini & Rossi France, representing about 80% of the $280 million spent annually on alcohol advertising.

The Senate on Oct. 10 will debate the proposal, which also includes a complete ban on tobacco advertising (AA, July 2).

Under the bill, alcohol ads would be banned from cinema and outdoor boards, and the visuals in print ads would be limited to a bottle shown against a plain background. The proposal also would require 20% of the ad be devoted to a health warning.

"The new law is so restrictive . . . that it will not be interesting to advertise," Mr. Mantoux said.

Research by the association showed alcohol print ad spending would fall 67.7% to about $40 million if the measure succeeds, he said.

As an alternative, the association proposed a joint commission of alcohol marketers and the government be formed to set and maintain ad standards, Mr. Mantoux said. The industry now follows voluntary guidelines.

Grey France is preparing sample ads to show lawmakers how restrictive the proposal would be. □

WORLD NEWS ROUNDUP

■ **Stockholm—Electrolux** is launching a $10 million pan-European campaign, created in-house, using in-flight magazines on British Airways, Lufthansa German Airlines, Alitalia Airlines, SAS and Air France.

■ **Madrid—Campofrio,** a Spanish meat marketer, moved its estimated $9 million media buying account to Media Planning from Young & Rubicam Espana. Y&R keeps creative.

■ **Oslo—Statoil,** Norway's state-owned oil company, moved its $8 million account to Nordskar & Thorkildsen Leo Burnett from Avanti DDB Needham.

■ **Barcelona—Volvo** selected RZR/SMS for its estimated $7 million Series 9 car account, previously handled by Cid Publicidad and AVA, both Madrid.

■ **Frankfurt—Pan American World Airways** moved its $6 million German account to Borsch, Stengel & Partner from D'Arcy Masius Benton & Bowles.

■ **Paris—Yoplait** is launching Yoplus enriched yogurt in France with a campaign breaking at yearend by McCann-Erickson.

■ **Hamburg—Elida Gibbs GmbH,** part of Unilever, is rolling out Pond's Hand & Nail formula in Germany, via McCann-Erickson.

Survey researchers study unity options

By Alison Fahey

NEW YORK—Survey researchers are banding together to maintain consumer confidence and distinguish telephone interviewers from telemarketers.

"This is a high-pressure time for the survey research industry. We need a more unified identity," said Diane Bowers, executive director of the Council of American Survey Research Organizations, a 140-member industry group.

Ms. Bowers, who spoke at the Advertising Research Foundation Quality Workshop here late last month, decribed the climate as "increasingly restrictive and less amenable to research."

In response, the council has formed a task force to investigate the practices of survey researchers. The task force will announce results of its investigation this week.

Ms. Bowers also urged research companies to follow the council's code of standards and called for participation in the Research Industry Coalition. The year-old umbrella group outlined unacceptable research practices to help distance survey research from telemarketing. Unacceptable practices include offering money to survey participants; offering products or services to gather sales leads; and revealing respondents' identities without their permission.

This is a high-pressure time for the survey research industry. We need a more unified identity. . . . The climate is increasingly restrictive and less amenable to research.

Researchers are fighting rising refusal to participate in surveys as consumers guard their privacy and their time.

Answering machines and other telephone technology allow consumers to carefully screen calls. This, coupled with concern about telemarketing that masquerades as research, has survey researchers worried.

"There are more constraints on people's time, and I'm concerned that some [less scrupulous] telemarketers might do things to [align] themselves with survey researchers," said Harry Sunenshine, president-ceo of Walker Research, Indianapolis. Every other year, Walker conducts an Industry Image Study that measures consumers' attitudes toward survey researchers.

Since consumers rate survey researchers more favorably than telemarketers, researchers want to protect their image from "sugging," telemarketers selling or soliciting under the guise of research (AA, June 11).

Walker's study this year showed 42% of respondents who received a telemarketing call considered their last call an unpleasant experience. Only 11% said the last survey research call was unpleasant.

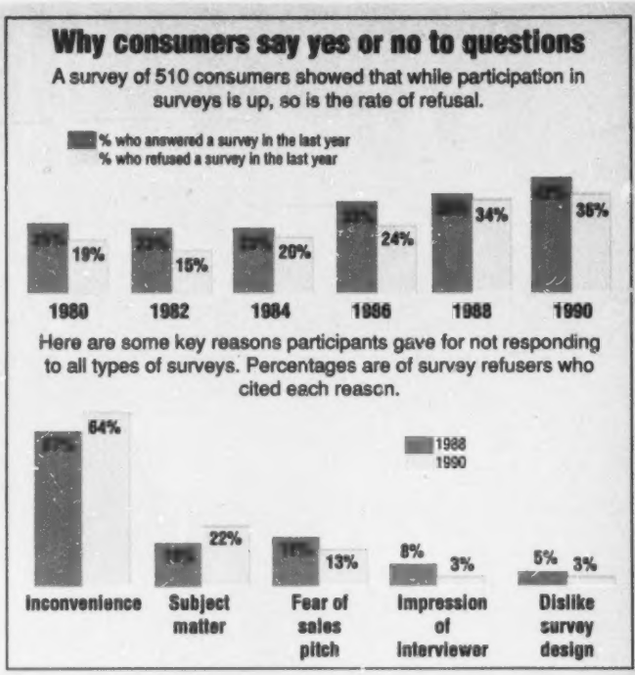
"Survey research is consistently rated more positively than telemarketing on all image statements—reinforcing our conclusions that the public understands and appreciates the value of survey research, while the value of telemarketing is seriously in doubt," said the study, which is conducted by phone.

Walker recommends the industry set up a toll-free number consumers can call to verify that a call is from a researcher and not a telemarketer, Mr. Sunenshine said.

Researchers also should shorten interviews, he said.

"The longer the interview is, th harder it will be to get consume to cooperate [in the future]," h said. "The interview length i something we can work at."

The average length of surveys i 11.8 minutes, up 13.5% from 198 and 34% from 1980, Walke found. □



Source: Walker Research's 1990 Industry Image Study, Ninth Edition

HOLLY SEGUIN

What Johnny reads

Simmons gauges kids' media use, buying power

By John Wolfe

Simmons Market Research Bureau this fall will conduct a study measuring the media habits and purchasing influence of children ages 6 to 14.

Results are expected to be released in February.

"People wonder how we'll do it. This is a challenge that has faced researchers for a long time," said Exec VP Pamela Baxter.

The national study will include in-person interviews with 2,000 children as well as questionnaires and a TV diary filled out by children and their parents.

"The Kids Study" will gauge children's use of products and media including comic books, magazines, newspapers, Sunday comics, TV and radio; children's purchasing influence on parents; and general attitudes and activities. A child psychologist will help write the questionnaires.

Part of the survey will probe specific TV viewing habits, using a diary filled out by parents and children to gauge viewing preferences.

Simmons has conducted studies of the teen market and recently completed a customized survey of younger children for Marvel Comics. "The Kids Study" is the first time the company will collect national, multimedia data on such a young demographic group.

Whittle Communications and ad agencies Foote, Cone & Belding and Young & Rubicam, both New York, have contracted to subscribe to the syndicated study. Other interested agencies are J. Walter Thompson Co. (Kraft General Foods and Nestle); DDB Needham Worldwide (General Mills); and Griffin Bacal (Hasbro).

The age group may make results less precise than surveys of adults, she said, but that won't hinder the "national probability study" from giving a broad look at general trends among young children.

Regarding the controversy such a study could generate among activist groups opposed to marketing to children, Ms. Baxter acknowledged the issue is sensitive but not if the material is used responsibly.

"I don't think the measurement of behavior is controversial," she said. "As long as [the children] are there, one can try to quantify it." □

. . . Johnny would rather read surveys

CHICAGO—Researchers surveying kids don't need to baby their subjects.

That's the conclusion of a yearlong study conducted by Peryam & Kroll Marketing & Sensory Research. The company found children ages 5 to 7 were more responsive to words read aloud to them than to the pictures generally used in surveys of preliterate children.

Participants 8 to 10 preferred reading the questions themselves, rather than having an interviewer read them aloud. This semiliterate group seemed to understand the questionnaire and responded better than through one-on-one interviews.

"This could be a big cost savings since one-on-one interviewing isn't required," said Peryam & Kroll principal Beverly Kroll. "Kids don't need hand holding."

A sample questionnaire was used with 516 children recruited from the company's roster of consumer panelists. The 212 5-to-7-year-olds were given a list of verbal responses as well as pictures of faces depicting their best response; the children preferred words to pictures. The questionnaire was also presented two ways to the 304 8-to-10-year-olds, who preferred to read it themselves. □

Betsy Spethmann edits Research News.

E. Europe growth mapped

PRINCETON, N.J.—Opinion Research Corp. on Oct. 24 will present a program on market potential, organization assessment and image/reputation capabilities in Eastern Europe.

The company recently affiliated with Investorg and Quali-

RESEARCH BRIEFS

Dun & Bradstreet charges infringement: Dun & Bradstreet Corp. and its Dun's Marketing Services unit filed suit Sept. 25 in U.S. District Court in Chicago against Gary E. Walter, and International Business Lists and Inter-Direct. The suit charges Mr. Walter, a former Dun's Marketing Services employee, and the companies with copyright infringement of the Dun's Market Identifiers data base, alleging data unique to a 1988 data base was included in a list sold in July by International Business Lists. The two companies couldn't be reached for comment on the suit.

Tracking consumers outdoors: Environmental Research Associates, Princeton, N.J., this month will introduce a quarterly environmental report that tracks attitudes toward the environment and consumer behavior. Called "The Environmental Report," the survey is based on interviews with 1,000 adults each quarter from 50 states. Initial subscribers include Coca-Cola Co., Colgate-Palmolive Co., H.J. Heinz Co., Kraft General Foods and Procter & Gamble Co. Subscribers pay $9,500 a year for the reports, a summary of findings, an opportunity to help formulate survey questions and analysis of how survey findings apply to their business or marketing strategies. Environmental Research Associates is a division of American Opinion Research.

People moving: **Robert Panucci**, 48, to exec VP-sales, a new post at VideOcart, Chicago, from VP-sales, Catalina Marketing, Anaheim, Calif. . . . **Donald Pace** to VP-survey division, a new post at Audits & Surveys, New York, from president of his own company, Pace Research & Analysis. . . . **Gregory McMahon**, 37, to VP, Market Facts, New York, from director of marketing and research, Sandoz Pharmaceuticals Corp., East Hanover, N.J. He succeeds **John Taylor**, who left. . . . **Clark Johnson**, 39, to VP-general manager of Intelect retail tracking service, a new post at NPD Group, Port Washington, N.Y., from director.

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